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32nd ANNUAL REPORT OF THE REGIONAL GRAIN COOPERATIVES

Stanley K. Thurston
Charles H. Meyer
Service Report 124
(* _____ *)

FARMER COOPERATIVE SERVICE
U. S. DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250

Farmer Cooperative Service strengthens the economic position of farmers and other rural people by improving organization, development, management, and operation of their cooperatives. It works directly with cooperative leaders and Federal and State agencies on cooperative problems. It publishes research results and educational materials and issues the News for Farmer Cooperatives.

The Service helps (1) farmers and other rural residents get better prices for products they sell and obtain supplies and services at lower cost; (2) rural residents use cooperatives to develop and make effective use of their resources; (3) cooperatives improve their services and operate more efficiently; (4) members, directors, employees, and the public to better understand how cooperatives work and benefit their members and their communities; and (5) encourage international cooperative programs.

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32nd ANNUAL REPORT OF THE REGIONAL GRAIN COOPERATIVES
1969-70

by Stanley K. Thurston and Charles H. Meyer

This report covers the financial condition and operating results of regional grain cooperatives. It is the latest in the annual series started in 1938 and continued at the request of the cooperatives.

The report primarily contains data for the 1969-70 season and shows comparisons with 1960-61 and 1968-69 seasons. It also points out recent developments and some of the problems facing grain regionals in the years ahead.

RECENT ACTIVITY

Regional grain cooperatives continue to make every effort to meet the demands of their members by efficiently marketing their grain and oilseeds through their terminal, sub-terminal, and country elevator facilities.

Figure 1 shows headquarter locations of the regionals, location of their sub-terminal and terminal storage facilities, soybean processing plants, and other grain processing facilities. Much of the expansion and modernization of storage and processing facilities has been at strategic river, lake, and ocean harbor points, permitting the regionals to take advantage of the lower water transportation rates.

FIG. 1--LOCATION OF REGIONAL GRAIN MARKETING SERVICES AND THEIR SUB-TERMINAL AND TERMINAL ELEVATORS, 1971



Grain, poultry, and livestock production in southern and southeastern States has increased in recent years. As a result, some of the regional grain cooperatives have built grain processing and storage facilities in these and other areas so they can furnish outlets for their members' production.

Regionals have helped members improve their facilities and conduct more efficient grain marketing operations at the local level. Through the National Federation of Grain Cooperatives, grain research programs, advisory committees, radio and television programs, and other media, managements of the regionals are helping all grain farmers.

For several years some regionals have held accounting schools to train local elevator bookkeepers. With the advent of more sophisticated electronic data processing equipment, many regionals are maintaining many of the records for local cooperative elevator members.

Some also conduct management training conferences, directors' schools, and member relations clinics. The use of field men is increasing, both at the local and regional level, to provide technical advice and improve communications.

Improving Varieties

Several regionals have installed milling and baking laboratories to learn more about the product they sell for their members and to encourage farmers to grow the kind of grain that will sell best.

Many cooperatives are working closely with grain improvement associations in developing new varieties. By producing types of wheat and other grains that meet exact milling specifications and feeding requirements, farmers can expect better returns and more uses for their cash grain. Some regionals also pay premiums for approved varieties and protein content.

Processing of Grain

In recent years several regional grain cooperatives have improved opportunities for savings to members by moving into processing of grain and soybeans.

Soybean Processing

At present six regional grain cooperatives have nine soybean processing plants with individual capacities ranging from 900 to 1,750 tons of beans a day. Three plants produce refined oil and two of these have hydrogenation facilities.

Farmers Union Grain Terminal Association (GTA), St. Paul, Minn., operates the largest single soybean processing plant in the country at Mankato, Minn. This plant produces high protein meal and refined oil. The hydrogenized oil plant has been recently expanded. They also produce soy flour for industrial purposes.

Riceland Foods, Inc., Stuttgart, Ark., has three soybean processing plants, two at Stuttgart and one at Helena, Ark. The cooperative produces finished oil ready for table use and has doubled the capacity of its oil packaging plant in New Orleans. A hydrogenation plant has been completed to produce hardened oil. A winterizing and packaging plant has also been completed.

Far-Mar-Co, Hutchinson, Kan., operates an 800-ton-a-day soybean plant at St. Joseph, Mo. In addition to producing meal and degummed oil, this plant will be expanded to include a new soy flour plant. Such flour will be used in developing applications for textured protein products at their new laboratory in Hutchinson, Kansas.

Missouri Farmers Association, Columbia, Mo., operates a 900-ton-a-day soybean plant at Mexico, Mo. This plant can produce high protein meal and degummed oil.

Farmers Grain Dealers Association, Des Moines, Iowa, merged with North Iowa Soybean Cooperative and now processes soybeans at its Mason City plant.

Gold Kist, Inc., Atlanta, Ga., has a large soybean processing plant and terminal elevator at Valdosta, Ga. Equipment has been added to further process oil.

Other Processing

In addition to processing soybeans, GTA operates one of the largest flaxseed processing plants in the country at Fridley, Minn.; malt houses in Milwaukee, Wisc., and Winona, Minn.; and a semolina mill at Rush City, Minn. These plants provide additional outlets for members who grow flax, barley, and durum wheat.

Michigan Elevator Exchange, a Division of Michigan Farm Bureau Services, Lansing, operates a flour mill at Quincy, Mich., and Agway Inc., Syracuse, N. Y., operates a flour mill at Churchville, N.Y.

Far-Mar-Co has recently enlarged its bulgur plant at Hutchinson to process 120 million pounds of wheat annually. Most of the bulgur is exported.

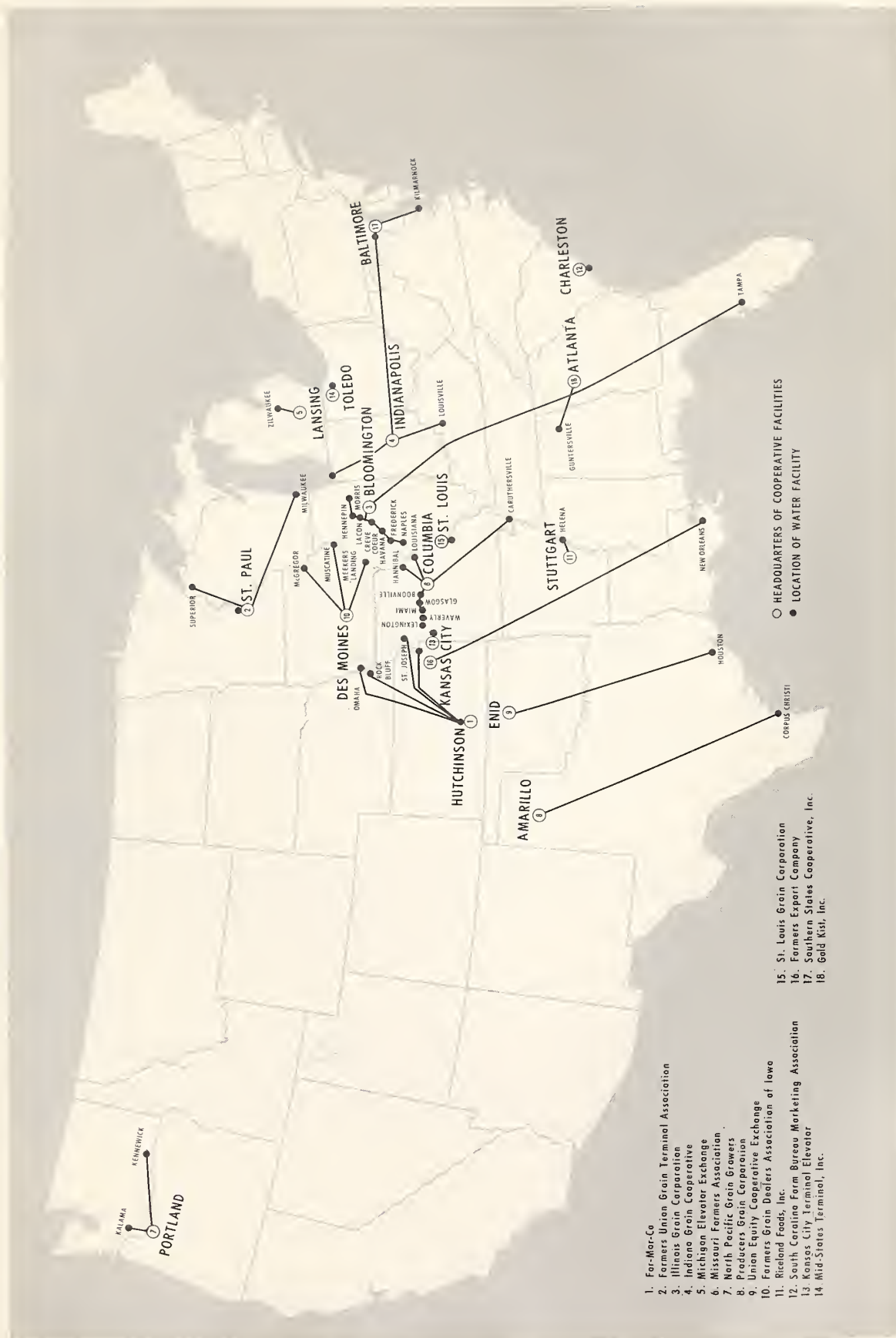
Several of the grain regionals have numerous feed mills that serve members and provide additional opportunities for savings.

Export Facilities

In order to improve sales opportunities and enhance returns to producers, many grain regionals operate grain export elevators at various important deep water ports and have built barge loading facilities at various river locations.

Figure 2 shows these ports, on the Great Lakes, Atlantic and Pacific Oceans, and the Gulf of Mexico, as well as the important barge loading points on the inland waterways. Many of the facilities at exporting points have been enlarged and modernized in recent years, and more are planned.

FIG. 2-- COOPERATIVE GRAIN FACILITIES LOCATED ON WATER, 1971



Great Lakes

Indiana Grain Cooperative, Indianapolis, operates the 6.7 million bushel Gateway elevator at Chicago.

Mid-States Terminals, Toledo, Ohio, owned by regionals in Indiana, Michigan, and Ohio, recently modernized and expanded its Toledo elevator to 3.3 million bushels and is in the process of adding 1.5 million bushels.

Michigan Elevator Exchange has finished its fourth year of operation at its elevator at Zilwaukee, Mich.

GTA exports millions of bushels of grain through its 18.4 million bushel elevator at Superior, Wisc.

Atlantic Coast

Indiana Grain Cooperative, Indianapolis, recently purchased a 3.7 million bushel export terminal at Baltimore, Md.

The South Carolina Farm Bureau Marketing Association, Charleston, S.C., operates the Port Authority elevator in that City.

Pacific Coast

North Pacific Grain Growers, Portland, Ore., operates a 4.2 million bushel export elevator at Kalama, Wash.

Gulf Coast

Producers Grain Corporation, Amarillo, Tex., has a 6.5 million bushel export elevator at Corpus Christi, Texas.

Union Equity Cooperative Exchange, Enid, Okla., operates a 6.5 million bushel export elevator at Deer Park, Tex., near Houston.

Farmers Export Company, Kansas City, Mo., constructed a 5.3 million bushel export elevator at New Orleans that began operations in the fall of 1968. Membership of this cooperative is made up of five Midwest grain regionals having barge shipping facilities, plus MFC Services, Jackson, Miss., and Tennessee Farmers Cooperative, LaVergne, Tenn.

Rivers

All the regionals with territory adjacent to the Missouri, Mississippi, Illinois, and Columbia Rivers operate barge loading facilities and thus take advantage of lower transportation costs. Several regional cooperatives own or lease barges in order to have barges available when needed.

Coordination Efforts

There have been three mergers of regional cooperatives within the past 8 years. In Illinois, United Grain Company, Champaign, merged with Illinois Grain Corporation, Chicago. The Farmers Union Terminal Elevator, Denver, Colo., and Farmers Union Cooperative Elevator Association, Omaha, Neb., merged with Farmers Union Cooperative Marketing Association, Kansas City, Mo.

A major merger of regionals then took place June 1, 1968. Equity Union, Lincoln, Nebr.; Westcentral, Omaha, Nebr.; Farmers Cooperative Commission Co., Hutchinson, Kans.; and Farmers Union Cooperatives Marketing Association, Kansas City, Mo. merged under the name of Far-Mar-Co, Inc., now headquartered in Hutchinson, Kans.

Other examples of cooperatives working together includes the joint operation of terminal elevators by two or more regional cooperatives in Kansas City, St. Louis, Toledo, and Ama, La. These terminal elevators are discussed in a subsequent section, Federation of Regionals.

The National Federation of Grain Cooperatives is one of the best examples of regional grain cooperatives working together. Most of the grain regionals are members. This organization provides the medium through which regionals exchange information, develop ideas and initiate action for improvement in cooperative marketing and embark on joint enterprises.

STORAGE CAPACITY

The sub-terminal and terminal storage capacity of regional grain cooperatives totals over 387 million bushels, 36 percent more than in 1960-61 (table 1). Total capacity increased rather rapidly from 1947-48 to 1965-66. Since then the rate of increase has diminished (appendix table A). This reflects the tendency for a large portion of grain to move direct from country elevator to export and to processors rather than through a terminal.

Table 1 .--Total grain storage capacity of regional grain
cooperatives, 1960-61 to 1969-70 1/

Fiscal year	: Storage capacity : (1,000 bushels)	: Index : (1960-61 = 100)
1960-61	285,655	100.0
1961-62	301,643	105.6
1962-63	315,428	110.4
1963-64	339,918	119.0
1964-65	341,593	119.6
1965-66	365,407	127.9
1966-67	371,479	130.0
1967-68	374,249	131.0
1968-69	383,042	134.1
1969-70	387,630	135.7

1/ Includes capacity of Riceland Foods that has a dual use for rice and soybeans. Excludes four federations of regionals.

In addition to the storage of regionals, four federations of regionals have terminal storage totaling 21 million bushels. These terminals are located in Ama, La.; Toledo, Ohio; Kansas City, Mo.; and St. Louis, Mo. Thus, combined storage capacity of regionals and federations of regionals located at terminal and sub-terminal points now totals 408 million bushels.

About 134 million bushels of this storage is located on navigable waterways (figure 2). Of this total 73 million bushels is located on interior inland waterways and 24 million bushels on or near the coast, and 37 million bushels on the Great Lakes (Appendix table B).

GRAIN VOLUME

Total grain volume handled by regional grain cooperatives reached an all-time high of 1.2 billion bushels in 1969-70. This volume, including rice, was 67 percent greater than in 1960-61. This volume was only slightly higher than in 1965-66, 1967-68, and 1968-69. Thus, regional grain cooperatives as a group have not increased their volume significantly since 1965-66 (table 2).

For purposes of analysis we divided the U.S. into regions as follows:

<u>Region</u>	<u>Principal States Served by Grain Regionals</u>
I	Ind., Ohio, Ky., Mich., N.Y., N.J., and Va.
II	Tenn., S.C., N.C., Ga., Ark., and Miss.
III	Minn., N.D., S.D., Ia., Ill., Mo., Wisc., and Mont.
IV	Neb., Colo., Kan., Okla., and Tex.
V	Wash., Ore., and Utah

Table 2.--Total grain volume of regional grain cooperatives, 1960-61 to 1969-70

Fiscal year	:	Grain volume ^{1/}	:	Index
	:	<u>1,000 bushels</u>	:	<u>1960-61 = 100</u>
1960-61		707,734		100
1961-62		695,068		98
1962-63		703,894		99
1963-64		822,328		116
1964-65		888,576		126
1965-66		1,029,687		145
1966-67		980,380		139
1967-68		1,052,198		149
1968-69		1,056,395		149
1969-70		1,179,156		167

^{1/} Includes rice and miscellaneous grains.

An analysis by regions of the U.S. reveals that since 1960-61 the largest volume^{1/} increases, in terms of actual bushels, have occurred in Regions III and IV (figure 3). These two regions accounted for about three-fourths of the total increase from 1960-61 to 1969-70. The magnitude of increase, however, was greatest for Region II.

Corn, soybeans, and wheat accounted for most of the increase in grain volume for the last 10 years (Appendix table C). Grain sorghum also increased significantly. The percentage increase for grain sorghum was 16 percent; soybeans 122 percent, corn 95 percent; and wheat 37 percent (table 3).

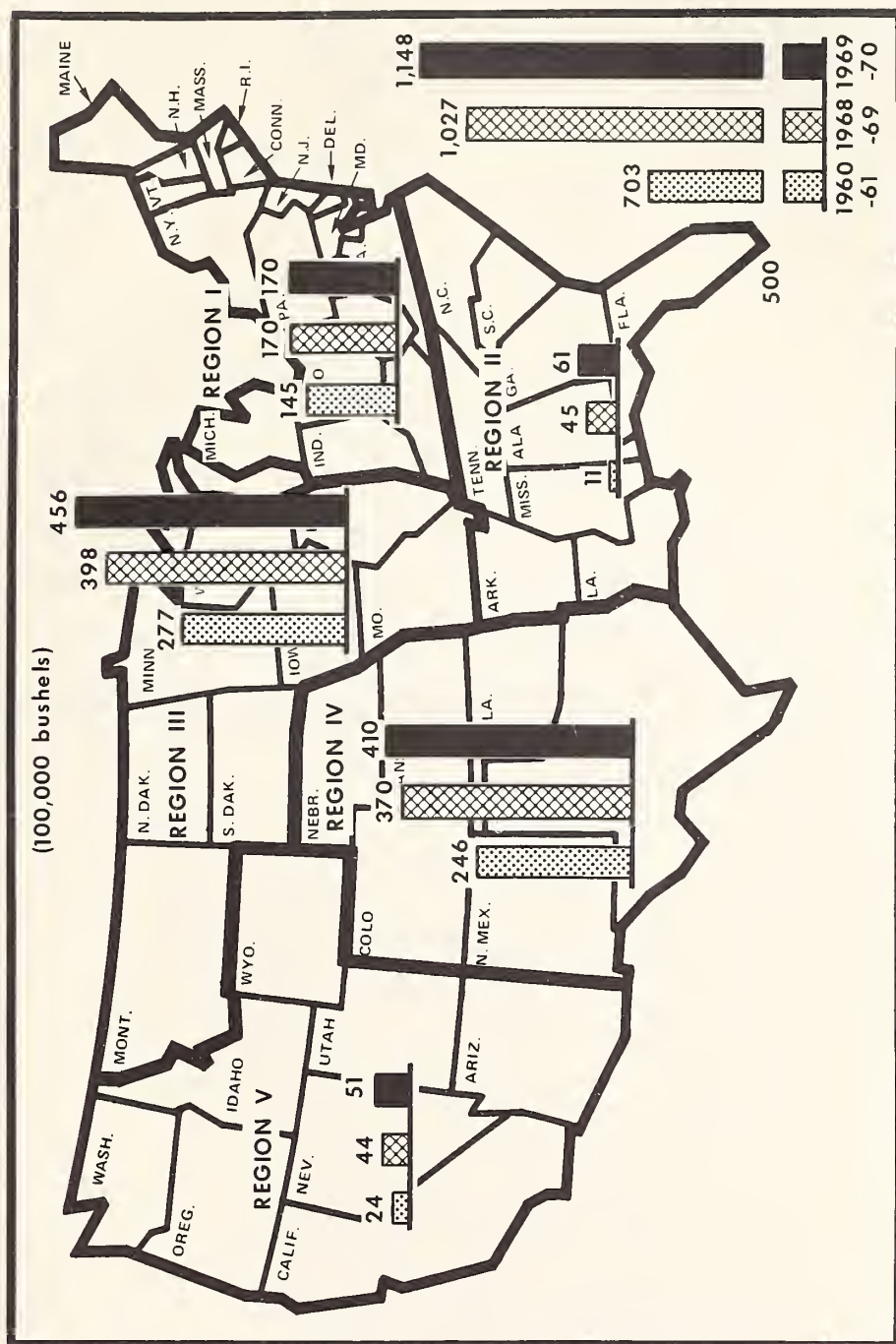
VOLUME-CAPACITY RELATIONSHIPS

The ratio of grain volume to storage capacity for all grain regional cooperatives ranged from 4.1 to 8.6 for the 1938-39 to 1948-49 period (appendix table A). With substantial increases in storage in subsequent years the ratio dropped substantially, ranging from a high of 3.8 in 1949-50 to a low of 2.0 in both 1953-54 and 1957-58.

Storage increased from 58.3 million bushels in 1948-49, to 268.7 million bushels in 1959-60, and 386.7 million bushels in 1969-70. Total storage capacity increased 261 percent for the period under consideration. Volume handled, elevator capacity, and volume-to-capacity ratio for the most recent 10 years are shown in figure 4.

^{1/} Excludes rice and miscellaneous grains

GRAIN HANDLED BY REGIONAL GRAIN COOPERATIVES, 1960-61, 1968-69 AND 1969-70^{1/}



^{1/} Does not include rice, millet, and buckwheat.

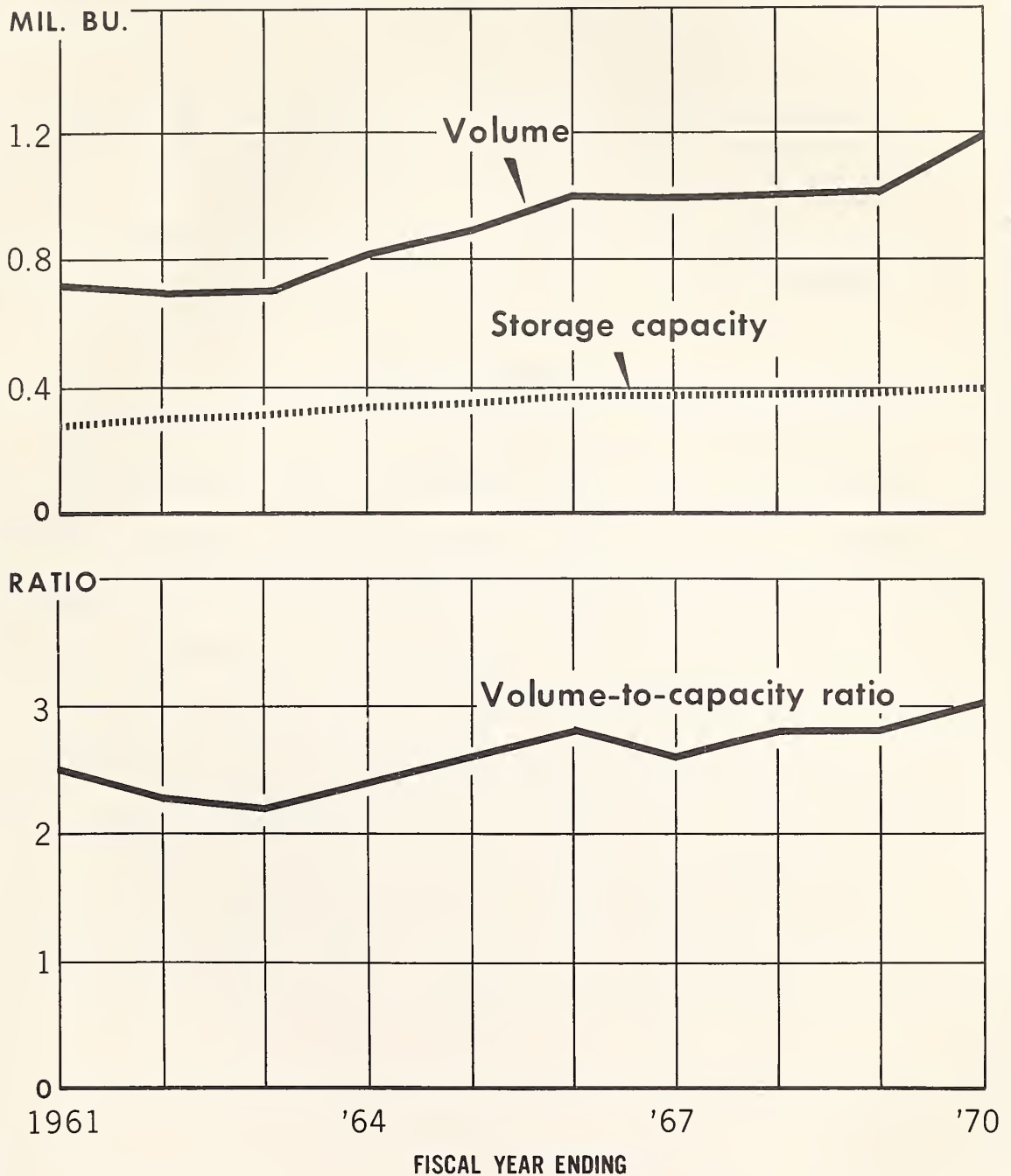
Figure 3

Table 3.--Change in grain volume handled by regional grain cooperatives, 1960-61 to 1969-70

Kind of grain	Grain volume handled ^{1/}		10-year change	
	1960-61 : 1969-70		1960-61 to 1969-70	
	Million bushels		Bushels	Percent
			Mil. bu.	
Wheat	323	444	+121	+37
Corn	160	312	+152	+95
Oats	36	25	-11	-31
Barley	35	35	0	0
Sorghum	38	99	+61	+161
Soybeans	101	224	+123	+122
Rye	4	3	-1	-25
Flax	<u>7</u>	<u>7</u>	<u>0</u>	<u>0</u>
Total	704	1,149	445	63

^{1/} Excluding rice and miscellaneous grains.

GRAIN VOLUME AND ELEVATOR STORAGE CAPACITY RELATIONSHIPS, REGIONAL GRAIN COOPERATIVES, 1961 TO 1970



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Figure 4

PERCENT OF OFF-FARM SALES HANDLED

Off-farm sales of grain in the U.S. totaled 6.3 million bushels in 1969-70 and 6.2 million bushels in 1968-69. In comparison, such sales in 1960-61 were only 4.8 million bushels. This indicates that considerably more grain is moving through various grain marketing channels. The volume of regional grain cooperatives compared with off-farm sales indicates the extent to which these cooperatives are continuing to maintain their share of increasing grain volumes.

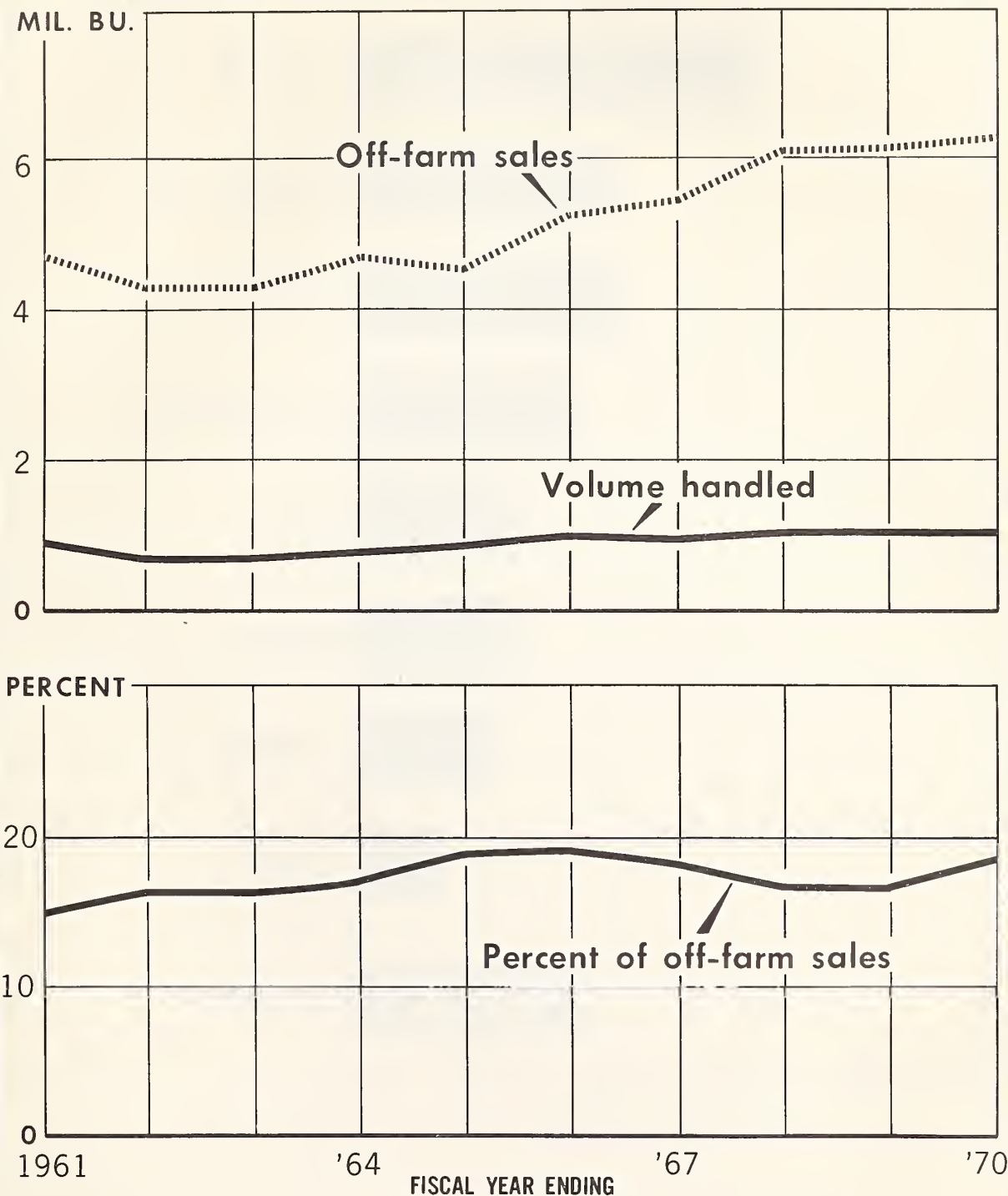
Total by Years

All regionals in 1969-70 handled about 1,148 million bushels of the eight major grains and oilseeds (wheat, corn, oats, barley, soybeans, sorghum, flaxseed, and rye). This is about 18.2 percent of total off-farm sales of these grains and compares with 16.7 percent in 1968-69 and 14.8 percent in 1960-61 (figure 5).

Over 30 million bushels of other kinds of grain, consisting of dry edible beans, peas, rice, millet, and buckwheat were handled by these regionals, bringing the total volume to 1,179 million bushels.

In 1969-70, wheat was by far the largest volume handled by regional grain cooperatives -- amounting to 444 million bushels, or 32.5 percent of total U.S. off-farm wheat sales (figure 6). Corn was

U.S. OFF-FARM GRAIN SALES AND VOLUME HANDLED BY REGIONAL GRAIN COOPERATIVES, 1961 TO 1970^{1/}

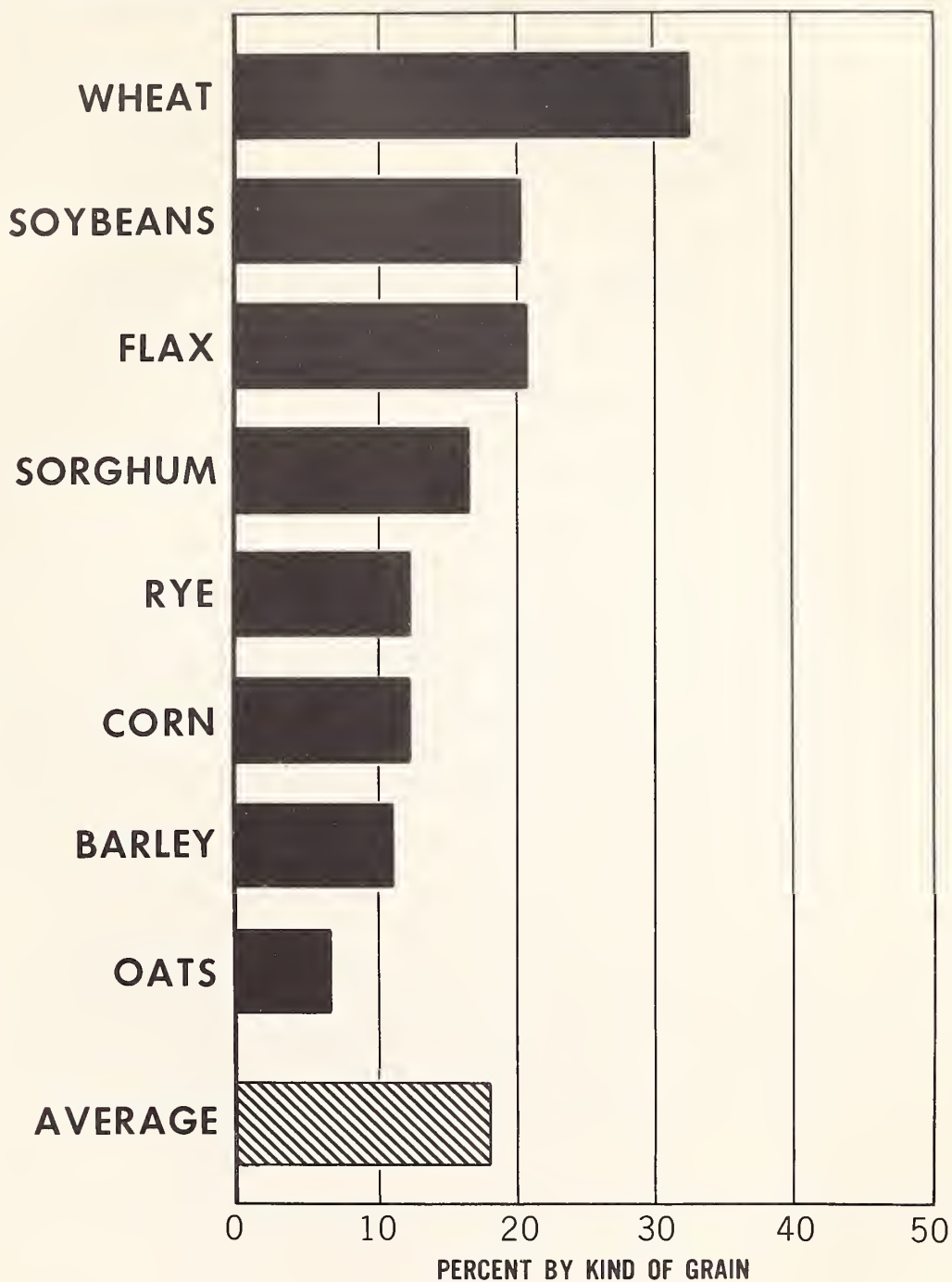


^{1/}Grains included are: Wheat, corn, oats, barley, sorghum, soybeans, rye and flaxseed.

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Figure 5

**PROPORTION OF TOTAL OF OFF-FARM GRAIN SALES HANDLED
BY ALL REGIONAL GRAIN COOPERATIVES, 1969-1970**



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Figure 6

next at 312 million bushels, or about 12.5 percent of total off-farm corn sales. Soybean sales by regionals totaling 224 million bushels was slightly more than half of wheat sales, and 20.2 percent of off-farm sales. There is considerable difference in kinds of grain handled by the different regionals because of differences in producing area served.

Differences by Region and by Kind of Grain

Volume of regionals as a percent of off-farm sales differed by region of the U.S. and by kind of grain. There have also been significant trends during the last 10 years (appendix table D).

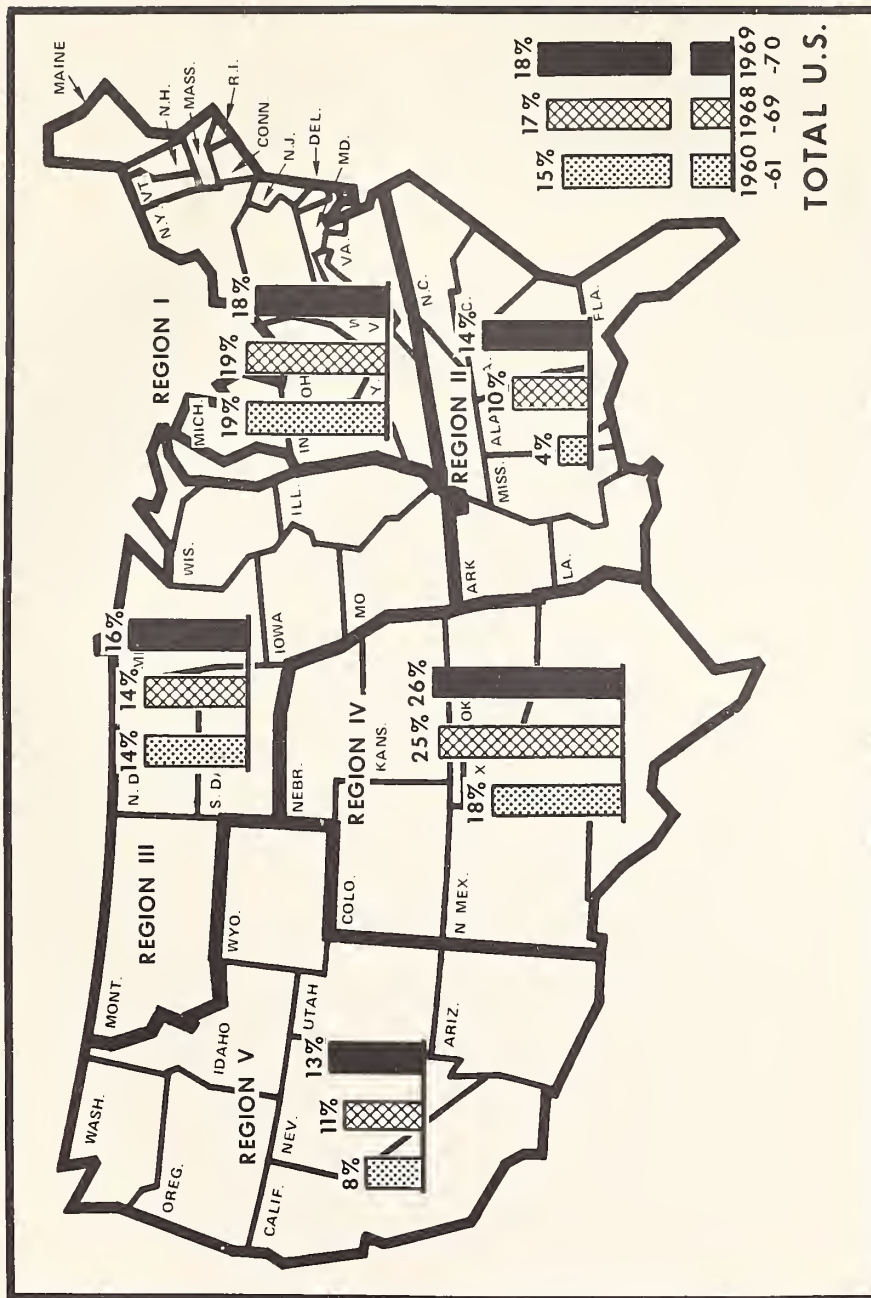
Total Grain

For the last two years, regionals in Region IV have handled about 25 percent of farm grain sales, Region I about 18 percent, and the other regions considerably less (figure 7). Wheat, corn, and soybeans represented about 85 percent of regionals' grain volume for the last two years.

Wheat

Compared to 1960-61, the proportion of farm wheat sales handled by regionals in the last two years is higher for all regions except Region I. In 1969-70, Region IV handled 42 percent, the largest of any region.

PROPORTION OF TOTAL OFF-FARM GRAIN SALES HANDLED BY ALL REGIONAL GRAIN COOPERATIVES, 1960-61, 1968-69, AND 1969-70^{1/}



^{1/} Wheat, corn, oats, barley, sorghum grain, soybeans, rye, and flaxseed.

Figure 7

Corn

Grain regionals as a group have increased their percentage of farm corn sales from 9.0 percent in 1960-61 to 12.5 percent in 1969-70. Cooperatives in Region I and II handled about 15 percent of farm sales, Region III 12.5 percent, and Region IV 8.6 percent.

Soybeans

Even though the volume of soybeans handled by regionals has more than doubled since 1960-61, their proportion of farm sales has not increased significantly. In 1960-61, regionals handled 19 percent of farm sales compared with 20 percent in 1969-70. Regionals in Region IV handled 41 percent of farm sales in 1969-70, the highest of any region.

FINANCIAL STRUCTURE

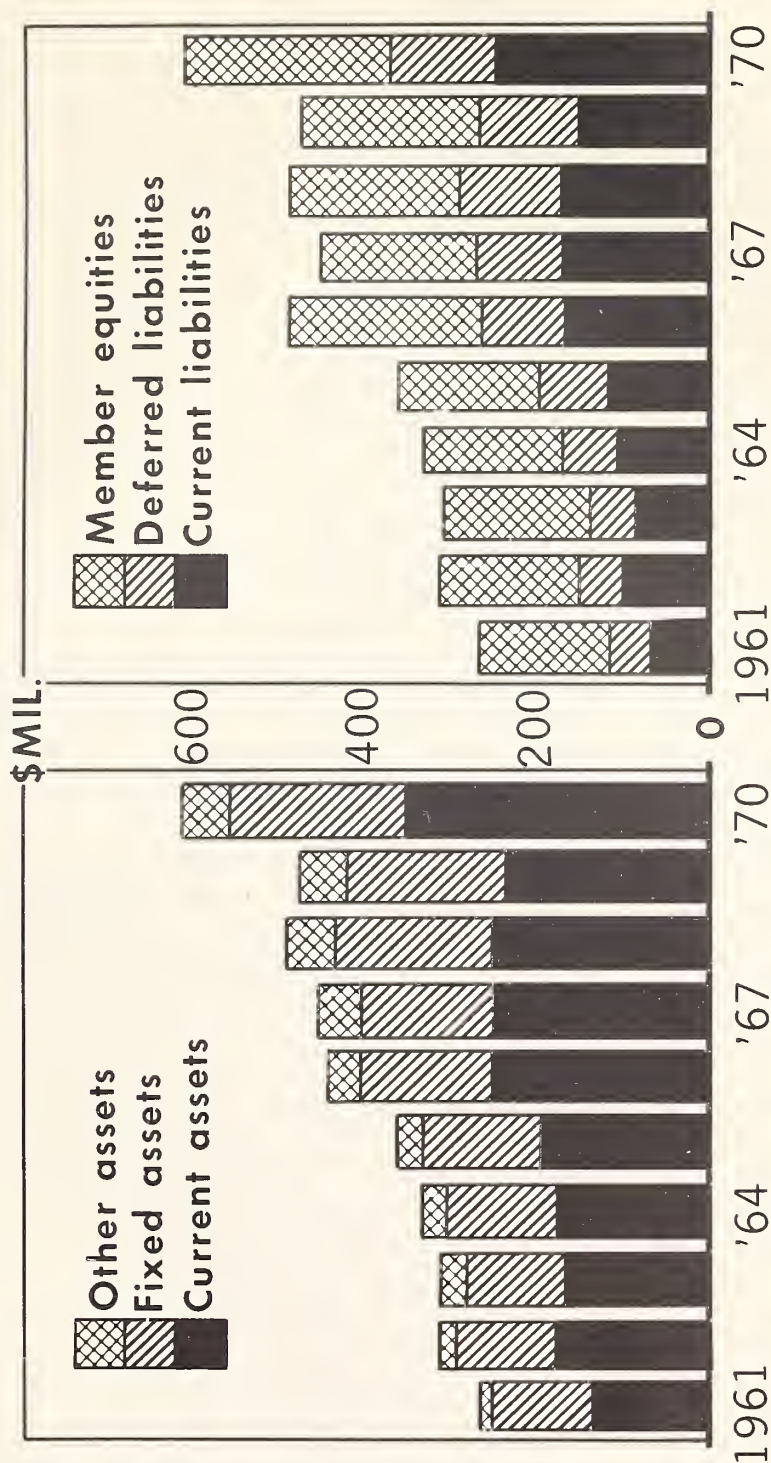
The financial structure of regional grain cooperatives has undergone continuous expansion since 1939 when our data series began (appendix tabel E). Many of the regionals were organized in 1938 or in prior years, and some are the result of adding grain departments to established cooperative structures. In recent years, several regionals have merged. Thus, the number of regional associations has frequently changed since 1939. Total dollar values within the financial structures provide better measures of growth than number of associations.

Assets and Liabilities

As would be expected from expanded storage facilities and increases in annual volume of grain handled, substantial changes in the combined balance sheet of all regional grain cooperatives has followed.

Current, fixed and other assets for the 1960-61 to 1969-70 period for all regional grain cooperatives are shown in Figure 8. Current assets increased from \$136 million in 1961 to \$351 million in 1970, or about 158 percent (table 4). In the final year, they increased by about \$113 million. Inventories accounted for about \$64 of the \$113 million. Fixed assets increased from about \$116 million in 1961 to \$205 million in 1970, with about a fourth of the increase occurring in the last year. Other assets declined in the final year, from \$55 to \$53 million. In 1970, current assets accounted for 58 percent of total assets, and fixed and other assets, 34 percent and 8 percent, respectively, of the total.

CONSOLIDATED BALANCE SHEET OF REGIONAL GRAIN COOPERATIVES, 1961-1970



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Figure 8

Table 4.-- Combined assets, liabilities and member equities, regional grain cooperatives, 1960-61, 1968-69, and 1969-70

Item	:	:	:	:	:
	:	1960-61	:	1968-69	:
	:	:	:	1969-70	:
	:	:	:	:	1969-70
	:	:	:	:	Increase
	:	:	:	:	over
	:	:	:	:	1960-61
			(Million Dollars)		(Percent)
<u>Assets:</u>					
Current		135.9		237.7	351.4
Fixed		115.8		183.8	205.0
Other		<u>15.9</u>		<u>55.5</u>	<u>53.3</u>
Total Assets		267.6		477.0	609.7
<u>Liabilities:</u>					
Current		66.8		149.4	249.5
Deferred		<u>47.7</u>		<u>117.0</u>	<u>123.8</u>
Total		114.5		266.4	373.3
<u>Member equities:</u>					
Member capital		96.0		151.8	191.5
Surplus		<u>57.0</u>		<u>58.8</u>	<u>44.9</u>
Total		<u>153.0</u>		<u>210.6</u>	<u>236.4</u>
Total liabilities & member equities					
		267.5		477.0	609.7

Total liabilities have increased substantially over the past 10 years, from \$114 million in 1960-61 to \$373 million in 1969-70. Increases in current liabilities accounted for most of this increase, advancing by 274 percent over the period; current liabilities advanced from \$149 million in 1969 to \$249 in 1970, an advance of 67 percent. Deferred liabilities increased only slightly from \$117 million in 1969 to \$124 in 1970.

In 1970, member equities were equal to 39 percent of total assets; this compares with 57 percent in 1961. Creditors and investors are interested in this ratio, which is one indication of an association's ability to meet its long-term obligations.

Annual working capital in 1970, the difference between current assets and current liabilities, amounted to \$218 million, which is almost 3 times that of the preceding year (\$77 million), and compares with \$64 million in 1960.

Appendix table E shows the consolidated balance sheet for all regional grain cooperatives for the 1939-70 period.

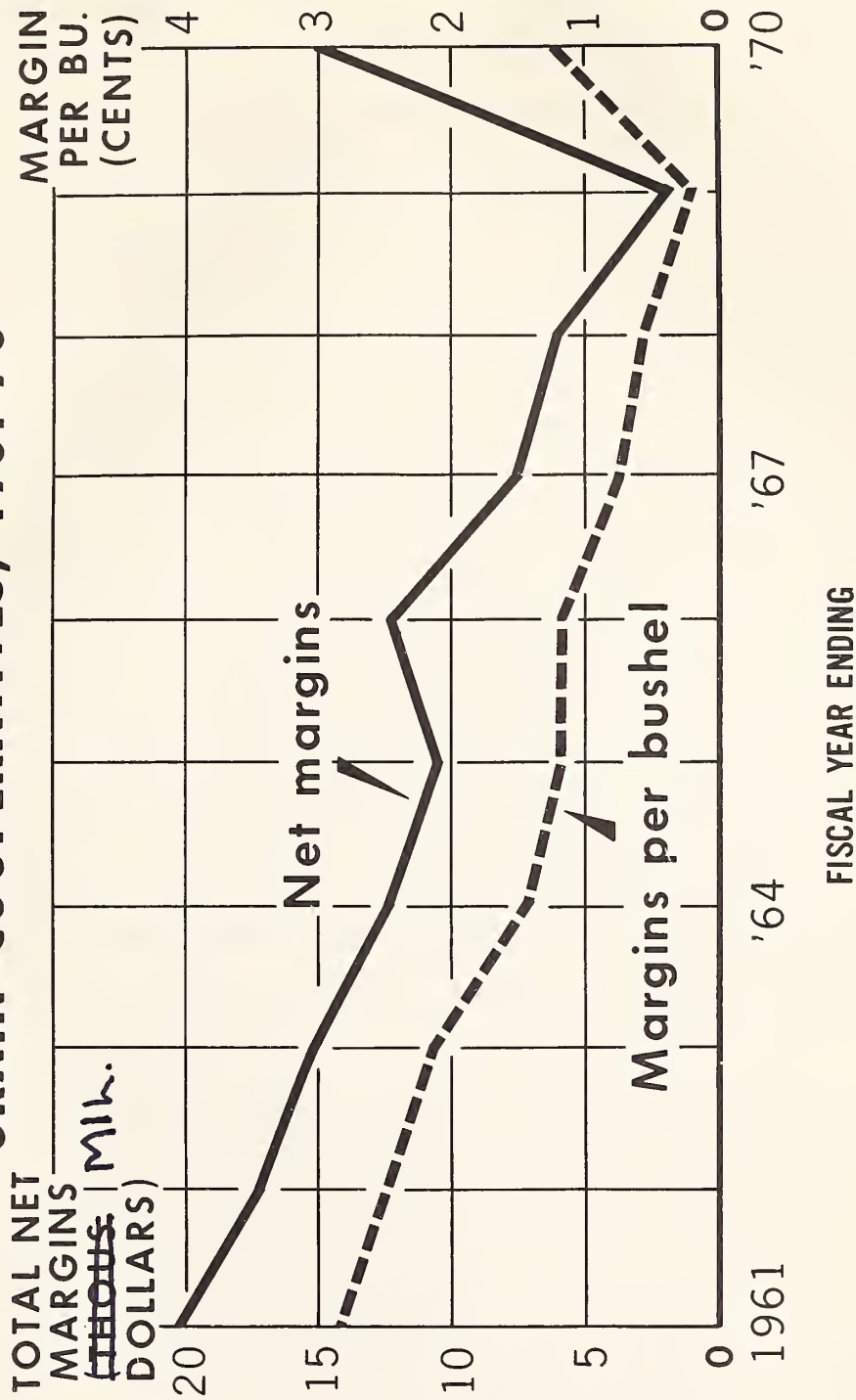
Net Margins

During the period 1939 to 1970, net margins per bushel climbed steadily for the first nine years then leveled off (Appendix table F). Net margins per bushel averaged about 2 cents from 1943 to 1963.

Combined net margins for regionals declined sharply from 1961 to 1969 and then rebounded in 1970 (Figure 9). Since 1961 there has been a general inverse relationship between grain volume and net margins.

Combined net margins reached an all-time low in 1969 of 0.20 cents a bushel and rose to 1.29 cents a bushel in 1970 which is comparable to margins of the mid-1960's.

COMBINED NET MARGINS OF REGIONAL GRAIN COOPERATIVES, 1961-70



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Figure 9

FEDERATION OF REGIONALS

Data in this report exclude the four federations of regionals in order to avoid duplication of grain volume. A brief description of their organizational relationships with other regionals, their elevator facilities, and grain volume follows:

(1) Kansas City Terminal Elevator, with headquarters in Kansas City, Mo., is owned jointly by the Missouri Farmers Association and Far-Mar-Co, and has about 8.4 million bushels of storage in Kansas City.

(2) St. Louis Grain Corp., with headquarters in St. Louis, Mo., is owned jointly by the Illinois Grain Corp., Missouri Farmers Assn., Farmers Union Grain Terminal Assn., and the Farmers Grain Dealers Association of Iowa, and has about 4.7 million bushels of storage.

(3) The Farmers Export Co., with headquarters at Kansas City, Mo., built a 5-million bushel elevator for exporting grain at New Orleans in 1967-68. It is owned and operated by Far-Mar-Co, Missouri Farmers Association, Farmers Union Grain Terminal Assn., Farmers Grain Dealers Association of Iowa, Illinois Grain Corp., MFC Services, and Tennessee Farmers Cooperative.

(4) Mid-States Terminals, Inc., with headquarters at Toledo, Ohio, is owned jointly by the Ohio Farmers Grain Corp., Landmark, Inc., Indiana Grain Cooperative, and Michigan Elevator Exchange, and has about 3.1 million bushels of storage.

The preceding four cooperatives, with total elevator capacity of almost 22 million bushels, handled about 182 million bushels in 1969-70.

A LOOK AHEAD

The existing regional grain cooperatives have grown rapidly over the years, are financially sound, and are operated efficiently. Through these organizations, farmers have increased their market strength at all marketing levels. Grain quality has been emphasized. Competition furnished by these organizations has reduced overall marketing margins and improved marketing practices. Thus, all grain producers have benefited.

Managements of these associations face many problems brought about by:

(1) Price changes and crop conditions affecting day-to-day operations and require constant attention,

(2) Changes in transportation service and rates affecting operations and the location of new facilities,

(3) Government programs and policies, technological changes in farming, and the changing market structure, all affecting both local and regional association operations,

(4) The general upward trend in exports, world markets, and conditions, which become increasingly important to management in their day-to-day as well as long range operations,

(5) Very low storage occupancy at many locations, thus reducing a major source of revenue, and increasing unit operating costs,

(6) Air and water pollution regulations necessitating increased investment in control measures,

(7) New or additional services required by member associations, (management must work more closely with local members and help them get geared up to handle an ever larger and faster harvest of grain that must be conditioned before it can be stored or shipped),

(8) The need to help smaller locals in consolidating or merging their operations to better utilize facilities, improve operating efficiency, and broaden their resource base sufficiently to up-grade local management,

(9) Increased exports of grain, oilseeds, and products in a highly competitive situation, require more coordination between regionals, especially those with export facilities.

The managers and directors of regionals have demonstrated their ability to deal with problems in the past. They have worked together. This is shown by mergers and joint ownership and operation of facilities. With the existing competitive situation, regionals must work even more closely with each other in the future. Past experiences should enable them to anticipate and solve future problems.

Appendix table A.--Elevator storage capacity, grain volume handled
by regional grain cooperatives, fiscal years ending
1939 to 1970 1/

Fiscal year ending	Elevator capacity	Volume <u>2/</u> handled	Ratio of volume to capacity
(1,000 bushels)			
1939	14,825	100,039	6.7
1940	18,975	107,381	5.6
1941	23,475	104,240	4.4
1942	34,455	141,388	4.1
1943	34,550	182,872	5.3
1944	33,443	287,875	8.6
1945	35,043	287,824	8.2
1946	35,543	293,483	8.3
1947	40,073	300,652	7.5
1948	45,495	312,146	6.9
1949	58,293	356,773	6.1
1950	75,823	288,192	3.8
1951	94,405	310,082	3.3
1952	95,405	326,802	3.4
1953	98,805	307,754	3.1
1954	140,975	282,741	2.0
1955	143,110	326,087	2.3
1956	149,270	345,282	2.3
1957	156,041	406,720	2.6
1958	184,294	375,279	2.0
1959	251,666	574,023	2.3
1960	268,714	637,020	2.4
1961	285,655	707,734	2.5
1962	301,643	695,068	2.3
1963	315,428	703,894	2.2
1964	339,918	822,328	2.4
1965	341,593	888,576	2.6
1966	365,407	1,029,687	2.8
1967	371,479	980,380	2.6
1968	374,249	1,052,198	2.8
1969	383,042	1,056,395	2.8
1970	386,714	1,179,156	3.0

1/ Excludes capacity and volume for federations of regionals

2/ Includes rice and miscellaneous grains.

Appendix table B--Location of cooperative grain facilities located
on water, May 1971

Name and Location	Capacity of bushels
Farmers Union Grain Terminal Association	<u>1,000</u>
ST. PAUL	
• Minneapolis	6,600
• Superior, Wisconsin	18,400
• Milwaukee, Wisconsin	6,330
• Sioux City, Iowa	<u>850</u>
	32,180
Illinois Grain Corporation	
BLOOMINGTON	
• Morris	300
• Hennepin	180
• Lacon	180
• Creve Coeur	1,500
• Havana	800
• Frederick (loading point only)	--
• Naples	300
• Tampa, Florida	<u>165</u>
	3,425
Indiana Grain Cooperative	
INDIANAPOLIS	
• Louisville, Kentucky	2,500
• Baltimore, Maryland	4,000
• Chicago, Illinois	<u>6,750</u>
	13,250
Michigan Elevator Exchange	
LANSING	
• Zilwaukee	2,250
Missouri Farmers Association	
COLUMBIA	
• Caruthersville	875
• Hannibal	1,304
• Louisiana	1,600
• Glasgow	950
• Miami	80
• Lexington	553
• Waverly	<u>325</u>
	5,687

(continued--)

Name and Location	Capacity of bushels
North Pacific Grain Growers PORTLAND	<u>1,000</u>
• Kalama, Washington	4,000
• Kennewick, Washington	<u>3,900</u>
	<u>7,900</u>
Producers Grain Corporation AMARILLO	
• Corpus Christi	6,392
Union Equity Cooperative Exchange ENID	
• Houston, Texas	6,500
Farmers Grain Dealers Association of Iowa DES MOINES	
• McGregor	500
• Meekers Landing	820
• Muscatine	<u>500</u>
	<u>1,820</u>
Riceland Foods, Inc. STUTTGART	
• Helena	7,200
South Carolina Farm Bureau Marketing Association • CHARLESTON	1,600
*Kansas City Terminal Elevator • KANSAS CITY	4,414
*Mid-States Terminal, Inc. • TOLEDO	3,100
*St. Louis Grain Corporation • ST. LOUIS	4,750
* A Federation of regionals	

(continued--)

Name and Location	Capacity of bushels
*Farmers Export Company • NEW ORLEANS	<u>1,000</u> 5,000
Southern States Cooperative, Inc. RICHMOND	
• Kilmarnock	180
• Baltimore, Maryland	<u>270</u>
	450
Gold Kist, Inc. ATLANTA	
• Guntersville, Alabama (feed mill)	200
Far-Mar-Co HUTCHINSON, KANSAS	
• Omaha, Neb.	2,602
• Rock Bluff, Neb.	258
• St. Joe, Mo.	9,234
• Kansas City, Kans.	<u>11,350</u>
	23,444
Total, U.S.	<u><u>133,562</u></u>

* A federation of regionals

Appendix table C.--Total grain volume handled by regional grain cooperatives, by regions, 1960-61, 1968-69 and 1969-70 1/

Year and kind of grain	Region					
	I	II	III	IV	VI	Total
	<u>1,000 bushels</u>					
<u>1960-61</u>						
Wheat	32,289	269	78,073	185,904	21,151	322,686
Corn	57,716	3,204	86,570	12,438	--	159,928
Oats	8,080	640	26,205	632	42	35,599
Barley	862	5	26,670	4,512	2,976	35,025
Sorghum	36	13	1,367	36,224	53	37,693
Soybeans	40,217	6,670	47,881	6,222	--	100,990
Rye	506	--	2,951	231	--	3,688
Flaxseed	--	--	7,297	20	--	7,317
Total	144,706	10,801	277,014	246,183	24,222	702,926
<u>1968-69</u>						
Wheat	29,043	2,424	114,733	226,693	40,446	413,339
Corn	86,044	6,199	141,847	20,528	--	254,618
Oats	5,642	1,294	15,902	334	50	23,222
Barley	890	11	21,805	1,014	3,592	27,312
Sorghum	--	10	892	100,223	50	101,175
Soybeans	47,608	34,814	89,987	21,321	--	193,730
Rye	601	--	2,505	27	--	3,133
Flaxseed	--	--	9,958	444	--	10,402
Total	169,828	44,752	397,629	370,584	44,138	1,026,931
<u>1969-70</u>						
Wheat	24,092	1,707	117,784	253,844	46,467	443,894
Corn	84,492	16,196	180,624	30,728	--	312,040
Oats	4,991	1,603	18,021	637	138	25,390
Barley	936	90	25,294	4,051	4,410	34,781
Sorghum	--	51	763	97,649	118	98,581
Soybeans	55,383	41,160	104,740	22,293	--	223,576
Rye	630	--	2,593	114	--	3,337
Flaxseed	--	--	6,304	781	--	7,085
Total	170,524	60,807	456,123	410,097	51,133	1,148,684

1/ Does not include rice and miscellaneous grain

Appendix table D.--Proportion of total of off-farm grain sales 1/ handled by all regional grain cooperatives for crop years 1960, 1968 and 1969

Year and : region of: the U.S. :	Wheat		Corn		Oats		Barley					
	Sold off : farms	Sales by:Per- : regional:cent :	Sold off : farms	Sales by:Per- : regional:cent :	Sold off : farms	Sales by:Per- : regional:cent :	Sold off : farms	Sales by:Per- : regional:cent :				
	<u>1,000 bu.</u>		<u>1,000 bu.</u>		<u>1,000 bu.</u>		<u>1,000 bu.</u>					
1969-70:												
I	111,589	24,092	21.6	569,619	84,492	14.8	44,734	4,991	11.2	9,207	936	10.2
II	31,217	1,707	5.5	108,048	16,196	15.0	12,912	1,603	12.4	1,407	90	6.4
III	430,464	117,784	27.4	1,446,047	180,624	12.5	272,741	18,021	6.6	163,895	25,294	15.4
IV	597,926	253,844	42.5	355,691	30,728	8.6	25,877	637	2.5	25,157	4,051	16.1
V	193,711	46,467	24.0	22,080	--	--	15,759	138	.9	109,862	4,410	4.0
Total	1,364,907	443,894	32.5	2,501,485	312,040	12.5	372,023	25,390	6.8	309,528	34,781	11.2
1968-69:												
I	126,017	29,043	23.0	510,258	86,044	16.9	56,358	5,642	10.0	9,143	890	9.7
II	47,306	2,424	5.1	117,308	6,199	5.3	12,248	1,294	10.6	1,661	11	.7
III	509,953	114,733	22.5	1,395,450	141,847	10.2	257,675	15,902	6.2	170,931	21,805	12.8
IV	576,630	226,693	39.3	283,674	20,528	7.2	15,557	334	2.1	18,291	1,014	5.5
V	215,788	40,446	18.7	20,111	--	--	11,319	50	.4	114,067	3,592	3.1
Total	1,475,694	413,339	28.0	2,326,801	254,618	10.9	353,157	23,222	6.6	314,093	27,312	8.7
1960-61:												
I	147,934	37,289	25.2	405,766	57,716	14.2	60,699	8,080	13.3	8,650	862	10.0
II	18,716	269	1.4	110,901	3,204	2.9	19,147	640	3.3	1,379	5	.4
III	350,217	78,073	22.3	992,716	86,570	8.7	213,250	26,205	12.3	121,872	26,670	21.9
IV	630,043	185,904	29.5	252,842	12,438	4.9	31,570	632	2.0	38,627	4,512	11.7
V	139,738	21,151	15.1	14,823	--	--	15,368	42	.3	121,762	2,976	2.4
Total	1,286,648	322,686	25.1	1,777,048	159,928	9.0	340,034	35,599	10.5	292,290	35,025	12.0

(Continued--)

Appendix table E.--Consolidated balance sheet of all regional grain cooperatives, 1939-70

Year ending:	Assets				Liabilities and member equity						
					Liabilities			Member equities			
	Cur-	Fixed	Other	Total	Cur-	Defer-	Total	Member	Sur-	Total	Total
	rent	:	:	:	rent	red	:	capital	plus	:	:
Million dollars											
1939	5.2	0.9	0.7	6.8	2.4	1.1	3.5	1.6	1.6	3.2	6.8
40	6.5	1.3	.6	8.4	3.7	1.3	5.0	2.2	1.2	3.4	8.4
41	8.3	1.8	1.3	11.4	5.4	1.2	6.6	3.5	1.4	4.8	11.4
42	10.7	4.6	1.4	16.7	7.1	2.8	9.9	4.4	2.4	6.8	16.7
43	18.7	6.7	1.3	26.7	12.7	3.7	16.4	6.5	3.8	10.3	26.7
44	24.1	6.1	2.4	32.6	14.0	3.0	17.0	8.9	6.7	15.6	32.6
45	33.6	6.6	2.8	43.0	18.7	5.3	24.0	13.1	5.9	19.0	43.0
46	30.9	8.3	2.8	42.0	16.4	.8	17.2	16.2	8.6	24.8	42.0
47	45.5	10.8	4.4	60.7	27.1	.5	27.6	21.2	11.9	33.1	60.7
48	41.9	13.8	4.4	60.1	21.1	.5	21.6	29.9	8.7	38.6	60.1
49	44.9	19.3	4.8	69.0	23.6	.3	23.9	36.8	8.3	45.1	69.0
50	46.2	27.5	5.4	79.1	25.8	5.4	31.2	39.4	8.5	47.9	79.1
51	69.9	38.7	6.3	114.9	41.7	19.1	60.8	44.2	9.9	54.1	114.9
52	62.2	42.1	5.5	109.8	33.5	17.7	51.2	47.5	11.1	58.6	109.8
53	58.1	42.9	4.5	105.5	25.9	16.9	42.8	52.2	10.5	62.7	105.5
54	52.4	53.2	6.0	111.6	21.0	23.5	44.5	56.3	10.8	67.1	111.6
55	60.6	60.3	5.2	126.1	24.3	27.2	51.5	59.6	15.0	74.6	126.1
56	63.8	58.0	5.7	127.5	24.0	22.2	46.2	65.3	16.0	81.4	127.5
57	67.3	58.9	7.5	133.7	28.0	17.8	45.8	56.4	31.5	87.9	133.7
58	70.8	65.1	7.2	143.1	25.3	12.7	38.0	63.2	41.8	105.0	143.1
59	127.2	95.7	10.0	232.9	70.3	27.1	97.4	88.8	46.7	135.5	232.9
60	112.6	105.2	11.0	228.8	49.0	35.2	84.2	93.8	50.8	144.6	228.8
61	135.8	115.8	15.9	267.5	66.8	47.7	114.5	96.0	57.0	153.0	267.5
62	179.6	119.4	16.8	315.8	98.5	54.4	152.9	102.5	60.4	162.9	315.8
63	165.6	121.8	21.7	309.1	82.3	56.1	138.4	110.0	60.7	170.7	309.1
64	177.5	133.8	26.4	337.7	105.2	61.1	166.3	115.4	56.0	171.4	337.7
65	198.8	137.7	27.3	363.8	115.4	81.2	196.6	121.0	46.2	167.2	363.8
66	249.0	154.8	40.2	444.0	166.6	97.4	264.0	119.9	60.1	180.0	444.0
67	249.7	158.6	45.9	454.2	166.7	101.4	268.1	130.6	55.5	186.1	454.2
68	252.5	181.3	54.3	488.1	170.6	118.6	289.2	137.7	61.2	198.9	488.1
69	237.7	183.8	55.5	477.0	149.4	117.0	266.4	151.8	58.8	210.6	477.0
70	351.4	205.0	53.3	609.7	249.5	123.8	373.3	191.5	44.9	236.4	609.7

Appendix table F.--Total grain volume handled, total net margins, and net margins per bushel, regional grain cooperatives, fiscal year ending 1939 to 1970.

Year : ending :	Volume : handled 1/ 1,000 bu.	Total : net margins : \$1,000	Net margins : per bushel : cents
1939	100,039	857	.86
40	107,381	848	.79
41	104,240	1,140	1.09
42	141,388	2,328	1.65
43	182,872	4,057	2.22
44	287,875	6,709	2.33
45	287,824	5,995	2.08
46	293,483	8,283	2.82
47	300,652	12,387	4.12
48	312,146	9,813	3.14
49	356,773	8,114	2.27
50	288,192	7,165	2.49
51	310,082	10,358	3.34
52	326,802	7,977	2.44
53	307,754	9,021	2.93
54	282,741	11,168	3.95
55	326,087	14,486	4.44
56	345,283	13,830	4.01
57	406,720	15,019	3.69
58	375,279	16,656	4.44
59	574,023	20,101	3.50
60	637,020	20,007	3.14
61	707,734	20,114	2.84
62	695,068	17,472	2.51
63	703,894	15,075	2.14
64	822,328	11,965	1.46
65	888,576	10,652	1.20
66	1,029,687	12,475	1.21
67	980,380	7,640	.78
68	1,052,198	6,167	.59
69	1,056,395	2,088	.20
70	1,179,156	15,257	1.29

1/. Includes rice, wheat, corn, oats, barley, sorghum, soybeans, rye, flaxseed, and other grain such as millet, brickwheat and some dry edible beans.



